

Committee on Resources, Subcommittee on Water & Power

[water](#) - - Rep. Ken Calvert, Chairman

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Witness Statement

Migration, Urbanization, Diversification, Gentrification: Census 2000 and the Growing American West.

by
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before the
Subcommittee on Water and Power
of the Committee on Resources
U.S. House of Representatives
Washington, D.C.
March 27, 2001

Mr. Chairman. My name is Phil Burgess. I am a senior fellow for Technology and Society at the Denver-based Center for the New West. I have been a student of the forces shaping the New West since 1975, when I first moved to Denver to serve as executive director of the Federation of Rocky Mountain States. I appreciate the opportunity to be here to day to talk about the demographic trends that are shaping the West today.

Census 2000 overview. Preliminary data from Census 2000 show clearly that the 11 public lands states of the American West head the list of America's fastest-growing states and continue to attract people — both Americans looking for new opportunities and immigrants — in large numbers.

First, consider growth measured by the **percent change**, 1990 - 2000:

- All 5 of the top 5 fastest growing states are in the West: Nevada, Arizona, Colorado, Utah and Oregon
- The West also includes 6 of the top 10, 8 of the top 15, and 10 of the top 20. Only Wyoming (rank 22) did not make the top 20 fastest growing states.
- Punchline: The sparsely-populated but rapidly-growing Western states make the West America's fastest growing region.

Second, consider growth measured by **absolute members**, 1990 - 2000:

- Two of the top 5 (California and Arizona) and 4 of the top 10 (California, Arizona, Washington and Colorado) are located in the West.
- Adding Nevada (#13), Oregon (#16) and Utah (#21), 7 of the top 25 are in the West.

- New growth in the West totaled 10.2 million. Of this total, 80% occurred in the top 7 – including 40% (or 4.1 million) in California.
- Punchline: 1 out of every 3 new persons in America counted in Census 2000 is located in the Western US – and nearly half of those are in California with the rest distributed among the remaining Western states.

Third, the West is become more diverse as many of the **new immigrants**, especially Hispanic and Asian immigrants, are settling in the American West.

Migration. Since World War II, the West and the South have been America's fastest growing regions. This trend continued during the 1990s as more Americans migrate to the American West and as more of America's new immigrants, especially those from Asia and Mexico, settle in the West.

As a result, Westerners are younger, more ethnically diverse, and better educated than the rest of the country. Examples: Washington state has the nation's highest percentage of high school graduates; Colorado the highest percentage of college graduates; New Mexico leads the country in Ph.D's per capita.

Today, the West is also the destination of choice for the footloose opportunity seekers — including Americans who are moving in droves to what Rand McNally calls America's "mild and wild" places and immigrants from other countries, especially from Mexico and Asia, who are major assets providing energy, connections and know-how to the West's entrepreneurial and increasingly globalized economy — and they reinforce American idealism: They know why they are here.

Finally, because the West is attracting so many people — from New Economy knowledge workers to professional nomads and retirees — we have the phenomenon of "population-driven growth" — as people move to the West to provide services to the region's growing population. This is quite a change

Urbanization. Zane Grey, Shane and Lonesome Dove, the solitary cowboy riding fence on the open range — these images come to mind when you think about the West. Even today, the Big Sky, large ranches, trekking or mountain biking in what Joel Garreau called the "empty quarter" are common scenes of the West. Despite these gripping rural images, however, **the West is America's most urbanized region.** More than 4 of 5 Westerners live in urbanized areas — unlike the rest of the U.S., where nearly 1 of 3 lives in a rural setting.

Most of the West resembles an archipelago of urbanized areas separated from each other by vast expanses of largely empty land. Relations among these "city-states" and between these cities and their rural hinter-lands increasingly define important fault lines in the politics of the West.

Diversification. For most of its economic history, the West has been a natural resource colony of the West. Western oil, gas and coal fueled humming factories to the East. Western beef and grain fed their workers. Western timber provided housing for their people.

The West is still the nation's natural resource treasure house and extractive industries still play an important role in the culture and economies of the West. But the *relative* importance of natural resource industries has decreased with economic diversification — especially as the new knowledge-based industries on which America and the region's economic future increasingly depend.

The nation's **economic center of gravity is shifting west**. Example: Since 1983, trade across the Pacific has exceeded trade across the Atlantic — and is now more than double the Atlantic trade.

Another example is the growth of the West's manufacturing base. For decades California and Washington have been the world leaders in aerospace, America's principal manufacturing export. But few have noticed that Los Angeles is now the center of the nation's apparel industry, that one of America's most productive steel mills is in Utah, that California is America's largest industrial state — *and* its largest agricultural state or that Western states are found among the top tier in manufacturing job growth.

Western states — especially California, Oregon, Washington, Colorado and Arizona — hold a disproportionate number of the ***Inc.* 500 "fastest growing" businesses** in America. Midway through the decade, for example, all of *Forbes* magazine's **top 10 cities for starting New Economy business** were located in the West.

There are important changes that advantage the West and make it attractive to the new migrants. Example: Entertainment now rivals space exploration and defense as the driving force for the development and application of new computing, software and multimedia technologies. Metropolitan Denver has become a global hub for the communications industry — both cable and telecommunications — and is the home of CableLabs, the industry's R&D unit.

Many of the nation's most important New Economy companies are located in the West: 11 of 14 semiconductor manufacturers listed by the *Business Week* 1000, 14 of 22 manufacturers of computers and peripherals, and 18 of 31 software firms — including the two largest — are headquartered in the West. Of the top six biotechnology firms, the three largest are in the West. And the West is home to the nation's aerospace industry.

The West is a leader in these foundation industries of the New Economy for several reasons. First, the region's social, political and institutional atmosphere is more conducive to start-up industries. Example: *Expansion Management* magazine consistently ranks the Western states in the top categories of their business climate ratings.

Second, **talented people are the crown jewels of the New Economy**, and talented people are in short supply. Hence, because we live in a sellers' market for talent, New Economy industries are attracted to the West because more of the entrepreneurs and knowledge workers on whom these industries depend prefer lifestyles and the natural and cultural amenities that are abundant in the West.

Globalization. International trade is America's fastest growing commercial sector.

This pattern is also found in the Western states, where exports are a major source of new jobs. Western exports come from both the traditional resource industries (e.g., agriculture, coal) and from the new knowledge-based industries. Examples: "edu-tainment" (computers, software, entertainment, multimedia) and business and professional services (telecommunications, management consulting, design and construction, financial).

As global economic activity has shifted from the Atlantic to the Pacific, Los Angeles is poised to be in the 21st century what New York was during most of the 20th, London in the 19th, and Paris in the 18th — a "world city," a dominant center of world commerce, culture and fashion.

Seattle (like Atlanta and Miami in the South and Chicago on the Great Lakes) is already an established global hub; Denver, Salt Lake City, Portland and Phoenix are emerging global hubs. The coming Pacific Century will also be an American Century — and will draw even more people to the region.

Gentrification. The revolution in telecomputing (computers plus software plus high-speed, broadband networks) and rapid advances in express mail are quickly eliminating most of the liabilities of the West's remote location of many of the West's cities and towns. One result: More entrepreneurs and freelance professionals — writers, brokers, software designers, analysts, engineering and management consultants — are migrating to the West's small towns and urbanized areas where they use new telecomputing technologies to create new businesses as they remain connected to the outside world by faxes, modems, express mail and airplane tickets. We call these people Lone Eagles. Two or three Lone Eagles can be a major economic boon to a small town.

As we enter the 21st century, the West has many assets that will continue to attract people — its geographical location, the richness of its natural resources, the education and energies of its peoples, the youthfulness of its population and openness of its political structures. The West also has growing political clout, as shown by the Electoral College, where the region accounts for one out of three votes — up from one out of five (16%) in 1952.

But the West's greatest advantage may be its culture. In the words of the great Western writer Wallace Stegner, the West is "the native land of hope." And hope is a powerful magnet for people — not just for Americans, but for people from around the globe.

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